

law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

#### SEC. 8. APPLICABILITY.

An agreement entered into under this Act shall apply to weeks of unemployment—

- (1) beginning after the date on which such agreement is entered into; and
- (2) ending before January 6, 2003.

Amend the title so as to read: "An Act to provide for temporary unemployment compensation."

House Amendments to Senate Amendments:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert the following:

#### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Economic Security and Worker Assistance Act of 2002".

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

#### TITLE I—INDIVIDUAL PROVISIONS

Sec. 101. Supplemental stimulus payments.  
Sec. 102. Acceleration of 25 percent individual income tax rate.

#### TITLE II—BUSINESS PROVISIONS

Sec. 201. Special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004.  
Sec. 202. Temporary increase in expensing under section 179.  
Sec. 203. Alternative minimum tax reform.  
Sec. 204. Carryback of certain net operating losses allowed for 5 years.  
Sec. 205. Recovery period for depreciation of certain leasehold improvements.

#### TITLE III—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

##### Subtitle A—Extensions

Sec. 301. Allowance of nonrefundable personal credits against regular and minimum tax liability.  
Sec. 302. Credit for qualified electric vehicles.  
Sec. 303. Credit for electricity produced from certain renewable resources.  
Sec. 304. Work opportunity credit.  
Sec. 305. Welfare-to-work credit.  
Sec. 306. Deduction for clean-fuel vehicles and certain refueling property.  
Sec. 307. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.  
Sec. 308. Qualified zone academy bonds.  
Sec. 309. Cover over of tax on distilled spirits.  
Sec. 310. Parity in the application of certain limits to mental health benefits.  
Sec. 311. Temporary special rules for taxation of life insurance companies.  
Sec. 312. Availability of medical savings accounts.  
Sec. 313. Incentives for Indian employment and property on Indian reservations.  
Sec. 314. Subpart F exemption for active financing.  
Sec. 315. Repeal of requirement for approved diesel or kerosene terminals.

Subtitle B—Temporary Assistance for Needy Families

Sec. 321. Reauthorization of TANF supplemental grants for population increases for fiscal year 2002.  
Sec. 322. 1-year extension of contingency fund under the TANF program.

#### TITLE IV—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS

Sec. 401. Tax benefits for area of New York City damaged in terrorist attacks on September 11, 2001.

#### TITLE V—MISCELLANEOUS AND TECHNICAL PROVISIONS

##### Subtitle A—General Miscellaneous Provisions

Sec. 501. Allowance of electronic 1099's.  
Sec. 502. Excluded cancellation of indebtedness income of S corporation not to result in adjustment to basis of stock of shareholders.  
Sec. 503. Limitation on use of nonaccrual experience method of accounting.  
Sec. 504. Exclusion for foster care payments to apply to payments by qualified placement agencies.  
Sec. 505. Interest rate range for additional funding requirements.  
Sec. 506. Adjusted gross income determined by taking into account certain expenses of elementary and secondary school teachers.

##### Subtitle B—Technical Corrections

Sec. 511. Amendments related to Economic Growth and Tax Relief Reconciliation Act of 2001.  
Sec. 512. Amendments related to Community Renewal Tax Relief Act of 2000.  
Sec. 513. Amendments related to the Tax Relief Extension Act of 1999.  
Sec. 514. Amendments related to the Taxpayer Relief Act of 1997.  
Sec. 515. Amendment related to the Balanced Budget Act of 1997.  
Sec. 516. Other technical corrections.  
Sec. 517. Clerical amendments.  
Sec. 518. Additional corrections.

#### TITLE VI—UNEMPLOYMENT ASSISTANCE

Sec. 601. Short title.  
Sec. 602. Federal-State agreements.  
Sec. 603. Temporary extended unemployment compensation account.  
Sec. 604. Payments to States having agreements for the payment of temporary extended unemployment compensation.  
Sec. 605. Financing provisions.  
Sec. 606. Fraud and overpayments.  
Sec. 607. Definitions.  
Sec. 608. Applicability.  
Sec. 609. Special Reed Act transfer in fiscal year 2002.

#### TITLE VII—DISPLACED WORKER HEALTH INSURANCE CREDIT

Sec. 701. Displaced worker health insurance credit.  
Sec. 702. Advance payment of displaced worker health insurance credit.

#### TITLE VIII—EMPLOYMENT AND TRAINING ASSISTANCE AND TEMPORARY HEALTH CARE COVERAGE ASSISTANCE

Sec. 801. Employment and training assistance and temporary health care coverage assistance.

#### TITLE IX—TEMPORARY STATE HEALTH CARE ASSISTANCE

Sec. 901. Temporary State health care assistance.

#### TITLE X—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

Sec. 1001. No impact on social security trust funds.  
Sec. 1002. Emergency designation.

#### TITLE I—INDIVIDUAL PROVISIONS

##### SEC. 101. SUPPLEMENTAL STIMULUS PAYMENTS.

(a) IN GENERAL.—Section 6428 (relating to acceleration of 10 percent income tax rate bracket benefit for 2001) is amended by adding at the end the following new subsection:

"(f) SUPPLEMENTAL STIMULUS PAYMENTS.—

"(1) IN GENERAL.—Each individual who was an eligible individual for such individual's first taxable year beginning in 2000 and who, before October 16, 2001, filed a return of tax imposed by subtitle A for such taxable year shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the supplemental refund amount for such taxable year.

"(2) SUPPLEMENTAL REFUND AMOUNT.—For purposes of this subsection, the supplemental refund amount is an amount equal to the excess (if any) of—

"(A)(i) \$600 in the case of taxpayers to whom section 1(a) applies,

"(ii) \$500 in the case of taxpayers to whom section 1(b) applies, and

"(iii) \$300 in the case of taxpayers to whom subsections (c) or (d) of section 1 applies, over

"(B) the taxpayer's advance refund amount under subsection (e).

"(3) TIMING OF PAYMENTS.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible.

"(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection."

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 6428(d)(1) is amended by striking "subsection (e)" and inserting "subsections (e) and (f)".

(2) Subparagraph (B) of section 6428(d)(1) is amended by striking "subsection (e)" and inserting "subsection (e) or (f)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

##### SEC. 102. ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0%" and inserting "25.0%".

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "\$49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004" and inserting "\$49,000 in the case of taxable years beginning in 2001, \$52,200 in the case of taxable years beginning in 2002 or 2003, and \$50,700 in the case of taxable years beginning in 2004".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "\$35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004" and inserting "\$35,750 in the case of taxable years beginning in 2001, \$37,350 in the case of taxable years beginning in 2002 or 2003, and \$36,600 in the case of taxable years beginning in 2004".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.